



HB 98 CONTINUOUS ELIGIBILITY FOR MEDICAID

SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE
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ISSUE BRIEF

SUMMARY

This issue brief provides an update to the Legislature on the implementation of HB 98 *Continuous Eligibility for Medicaid* (Sanpei) passed during the 2012 General Session. This brief is for informational purposes only and requires no Legislative action.

DISCUSSION AND ANALYSIS

HB 98 *Continuous Eligibility for Medicaid* made several changes:

1. **Continuous eligibility** - permit 12 month continuous eligibility for an individual if it would increase quality of care and if it is cost effective.
 - a. The Department determined that continuous enrollment is not cost effective. The Department of Health stated: "The Department's assessment included a calculation using the least expensive Medicaid population of children. On average children's cases are open for 9.5 months and cost \$270 per child per month. Extending eligibility for two months, for children, at \$540 per child demonstrated continuous eligibility would not be cost effective."
2. **Incentives for seeking appropriate care** – the Department may include in Medicaid managed care contracts incentives for seeking appropriate care in appropriate settings.
 - a. The Department included an option for client incentives in its managed care contracts. The managed care plans (accountable care organizations) are measured based on Healthcare Effectiveness Data and Information Set (HEDIS) and Consumer Assessment of Healthcare Providers and Systems (CAHPS) data.
3. **Option to limit continuous enrollment** - authorizes the Medicaid program to select certain populations or geographic areas to include in the amendments to the state Medicaid plan for continuous enrollment.
 - a. The Department of Health stated: "The Department's estimate to determine cost effectiveness started with the least expensive group. Establishing it was not cost effective, the Department did not pursue other more expensive groups."
4. **Option to apply for waiver if needed** - authorizes the Medicaid program to apply for a waiver or demonstration project, if necessary to implement 12 month continuous enrollment or incentives for seeking appropriate care.
 - a. Under current waiver authority, the state can provide incentives to enrollees and no additional waiver was necessary.